

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement -- Information Collection Request

OMB Control Number 1513-0046

Formula for Distilled Spirits Under the Federal Alcohol Administration Act

Changes Since Last Approval

Changes made to the Supporting Statement since this information collection's last approval:

- In Question 3, TTB is revising its response to reflect current information and website addresses.
- In Question 8, TTB is updating the 60-day notice publication information for this collection.
- In Questions 12, 13, and 14, TTB is revising, respectively, the estimated annual burden, respondent labor and mailing costs, and costs to the Federal Government associated with this information collection.
- In Question 15, TTB notes the reasons for the changes to the estimated annual burden for this information collection.

A. Justification

1. What are the circumstances that make this collection of information necessary, and what legal or administrative requirements necessitate the collection? Also align the information collection to TTB's Line of Business/Sub-function and IT Investment, if one is used.

The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the Federal Alcohol Administration Act (FAA Act, 27 U.S.C. chapter 8) and the Internal Revenue Code provisions (IRC, 26 U.S.C.) related to alcohol, tobacco, and firearms (chapter 51 (distilled spirits, wines, and beer), chapter 52 (tobacco products, processed tobacco, and cigarette papers and tubes), and sections 4181-4182 (firearms and ammunition excise taxes)). TTB administers those statutes pursuant to section 1111(d) of the Homeland Security Act of 2002, as codified at 6 U.S.C. 531(d). Additionally, the Secretary of the Treasury (the Secretary) has delegated certain FAA Act and IRC administrative and enforcement authorities to TTB through Treasury Order 120-01.

The FAA Act at 27 U.S.C. 205(e) authorizes the Secretary to issue regulations regarding the labeling of alcohol beverages to provide the consumer with adequate information as to the identity and quality of such products. That section also allows the Secretary to require a statement of composition for distilled spirits produced by blending or rectification or if neutral spirits are used in the production of a distilled spirits product. In addition, the IRC at 26 U.S.C. 5222(c), 5223, and 5232 authorizes the Secretary to issue regulations regarding the

removal and addition of extraneous substances to distilling materials, as well as the redistillation of domestic and imported distilled spirits. The IRC at 26 U.S.C. 5555 also authorizes the Secretary to issue regulations requiring persons subject to the Federal alcohol excise tax to, among other things, keep such records and render such statements as the Secretary may prescribe by regulation.

Under those statutory authorities, TTB regulations in 27 CFR parts 5, 19, and 26 require distilled spirits plant (DSP) proprietors to obtain TTB approval of formulas for distilled spirits produced through certain DSP operations, such as blending, mixing, purifying, refining, compounding, and treating that change the character, composition, class, or type distilled spirits. Specifically, the TTB regulations at 27 CFR 5.192, 5.193, 19.77, 26.50(a), 26.53, and 26.54 require DSP proprietors to file such distilled spirits formulas, which they may submit on form TTB F 5110.38, Formula for Distilled Spirits Under the Federal Alcohol Administration Act. Under those regulations, a DSP proprietor must list on the form all ingredients and, in some cases, the process used to produce the distilled spirits in question.

This information collection is aligned with Line of Business/Sub-function: Law Enforcement / Substance Control.

2. How, by whom, and for what purpose is this information used?

As required by the TTB regulations, DSP proprietors may use form TTB F 5110.38 to request approval of formulas for certain distilled spirits products. DSP proprietors must list on the form all ingredients and, in some cases, the process used to produce the distilled spirits product in question. TTB personnel use the collected information to determine if a distilled spirits formula and the resulting product meet the applicable statutory and regulatory requirements for such formula products. The collected information allows TTB personnel to determine the class and type of the resulting distilled spirits and thus ensure that the product is properly labeled under the FAA Act. In addition, TTB field personnel may review a DSP proprietor's copy of an approved formula form to verify that a distilled spirits product is produced in accordance with its approved formula, and that the proprietor is paying the correct excise tax rate on the product.

3. To what extent does this collection of information involve the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology? What consideration is given to use information technology to reduce burden?

Currently, TTB F 5110.38 is available on the TTB website as a fillable/printable form; see <https://www.ttb.gov/public-information/forms>. Once completed that form may be uploaded as an attachment in TTB's electronic Formulas Online (FONL) system (approved under OMB No. 1513-0122). FONL is accessed via the TTB website at <https://my.ttb.gov/>.

4. What efforts are used to identify duplication? Can similar information already available be used or modified for use for the purposes described in Item 2 above?

TTB F 5110.38 contains information pertinent to each respondent and specific to a particular distilled spirits formula for which the respondent is seeking TTB approval. As far as TTB can determine, it does not collect duplicates of the provided formula information. However, TTB notes that, in lieu of TTB F 5110.38, DSP proprietors are increasingly using TTB's electronic FONL system or its paper equivalent, form TTB F 5100.51, Formula and Process for

Domestic and Imported Alcohol Beverages, to file distilled spirits formulas, which are approved under OMB No. 1513–0122.

5. If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?

This occasional information collection does not have a significant impact on a substantial number of small businesses or other small entities. The collected formula and process information protects the public from unsafe and mislabeled distilled spirits products and ensures proper tax classification of such products. As such, this collection's requirements cannot be waived merely because of the size of a respondent's business.

6. What consequences to Federal program or policy activities and what, if any, technical or legal obstacles to reducing burden will occur if this collection is not conducted or is conducted less frequently?

If TTB did not collect the required formula and process information, it could not determine if the distilled spirits product in question meets the statutory and regulatory requirements for such formula products. The collected information allows TTB to determine the class and type of the resulting distilled spirits and thus ensure that the product is properly labeled under the FAA Act. TTB also uses the collected information to ensure that a distilled spirits product is produced in accordance with its approved formula, and that the producing DSP proprietor is paying the correct excise tax rate on the product. In addition, as distilled spirits formulas are filed with TTB only on an as-needed basis, the frequency of this collection cannot be reduced.

7. Are there any special circumstances associated with this information collection that would require it to be conducted in a manner inconsistent with OMB guidelines? (See 5 CFR 1320.5(d)(2).)

Per the instructions on TTB F 5110.38, TTB requires respondents to submit a copy of the form for each DSP at which the formula will be used, plus two copies for TTB's use. For respondents that will use the formula at more than one DSP, this requirement is inconsistent with 5 CFR 1320.5(d)(2)(iii), which provides that requiring respondents to submit more than an original and two copies of any document is a special circumstance. TTB believes that the requirement to maintain a copy of approved formulas at each DSP where the formula is used is necessary to facilitate on-site TTB inspections.

8. What effort was made to notify the general public about this collection of information? Summarize the public comments that were received and describe the action taken by the agency in response to those comments.

To solicit comments from the public, TTB published a "60-day" comment request notice for this information collection in the Federal Register on January 30, 2026, at 91 FR 4180. TTB received no comments on this information collection in response.

9. Was any payment or gift given to respondents, other than remuneration of contractors or grantees? If so, why?

No payment or gift is associated with this information collection.

10. What assurance of confidentiality was provided to respondents, and what was the basis for the assurance in statute, regulations, or agency policy?

No specific assurance of confidentiality is provided for this information collection. However, Federal law at 5 U.S.C. 552(b)(4) protects the confidentiality of proprietary information obtained by the Government from regulated businesses and individuals, and 26 U.S.C. 6103 prohibits disclosure of tax returns and related information unless disclosure is specifically authorized by the IRC. TTB maintains the collected information in secure office space and computer systems with controlled access.

11. What is the justification for questions of a sensitive nature? If personally identifiable information (PII) is being collected in an electronic system, identify the Privacy Impact Assessment (PIA) that has been conducted for the information collected under this request and/or the Privacy Act System of Records notice (SORN) issued for the electronic system in which the PII is being stored.

This collection contains no questions of a sensitive nature. In addition, this request does not collect personally identifiable information (PII) in an electronic system. Therefore, no Privacy and Civil Liberties Impact Assessment (PCLIA) or System of Records Notice (SORN) is required for this collection.

12. What is the estimated hour burden of this collection of information?

Estimated Respondent Burden: Based on recent data, TTB estimates that 12 respondents complete 3 responses per year, resulting in 36 annual responses to this information collection. TTB further estimates that each response requires 1 hour to complete, resulting in an estimated total annual burden of 36 hours.

Estimated Respondent Labor Costs: TTB estimates respondent “fully-loaded” labor costs for this information collection as shown below.¹

NAICS 312100 - Beverage Manufacturing – Food Scientists and Technologists					
Fully-loaded Labor Rate/Hour= \$53.42*					
Avg. Time / Response	Labor Cost / Response	Responses / Respondent	Labor Costs / Respondent	Total Respondents	Total Labor Costs
1 hours	\$53.42	3	\$160.26	12	\$1,923.12

* Fully-loaded labor costs rounded to the nearest whole cent.

¹ Private Sector Fully-loaded Labor Rate = Hourly wage rate x a factor of 1.44 to account for benefit costs. Based on the most recent U.S. Department of Labor, Bureau of Labor Statistics (BLS), hourly wage data for National Industry-Specific Occupational Employment and Wage Estimates for NAICS 312100—Beverage Manufacturing, the average fully-loaded labor rate per hour for Food Scientists and Technologists (19–1012) is \$53.42, based on a mean hourly wage of \$37.10. See the BLS website at <https://data.bls.gov/oes/#/industry/312100>.

Respondent Record Retention: Under 27 CFR 5.28, approved certificates of label approval (COLAs) must include any required formula approval. As approved under the COLA information collection (OMB No. 1513–0020), importers and domestic bottlers holding an original or duplicate COLA must present a copy of that COLA, including any approved formula, to an authorized TTB officer upon request for as long as that COLA is in use. See the COLA retention requirements for distilled spirits at 27 CFR 5.21(c), 5.24(d), and 5.27.

13. *What is the estimated annual cost burden to respondents or record keepers resulting from this information collection request (excluding the value of the hour burden in Question 12 above)?*

The development, evaluation, and use of formulas to produce alcohol beverage products is a usual and customary practice undertaken during the normal course of business, and, as such, TTB believes that respondents have no capital, start-up, or ongoing maintenance costs because of this information collection. As for other costs, TTB estimates that respondents to this collection have up to \$10.00 in mailing supply and postage costs per response. Given an average of 3 annual responses per respondent, the 12 respondents each have \$30.00 in such costs per year, resulting in a total of \$360.00 in annual mailing costs for the estimated 36 total responses to this information collection.

14. *What is the annualized cost to the Federal Government?*

Labor Costs: TTB estimates labor costs to the Federal government for this information collection as follows:

Fully-Loaded Labor Costs for TTB Personnel (Washington, DC Pay Area) for OMB No. 1513–0046*					
Position	Fully-loaded Labor Rate/Hour ²	Processing Time per Response	Labor Costs per Response	Total Responses	Total TTB Labor Costs
GS–12, Step 5, Chemist	\$90.66	2.0 hours	\$181.32	36	\$6,527.52
GS–13, Step 5, Sr. Chemist	\$107.81	0.5 hour	\$53.905		\$1,940.58
Totals	(\$94.09)	2.5 hours	\$235.225	36	\$8,468.10

* Federal Government labor costs rounded to the nearest whole cent unless otherwise indicated.

Other Costs: As for other costs, TTB estimates it has \$5.00 in imaging and support service costs for each of the estimated 36 annual responses to this information collection, for a total of \$180.00 in such costs for this collection. As TTB returns a copy of approved formula forms to the applicant, TTB also estimates that it has \$2.00 per response in mailing supply and postage costs, for a total of \$72.00 in such costs for the estimated 36 annual responses to this collection. However, TTB’s printing and distribution costs for this collection’s form

² Federal Government Fully-loaded Labor Rate = Hourly wage rate x 1.63 to account for benefit costs. Per the most recent Office of Personnel Management (OPM) hourly wage data, the fully-loaded labor rates for Federal employees in the Washington, DC wage area are: (1) GS–12, Step 5, = \$90.66 (based on hourly wage of \$55.62); and (2) GS–13, Step 5 = \$107.81 (based on hourly wage of \$66.14). See the OPM website at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2026/DCB_h.pdf.

have decreased to \$0.00 due to the availability of TTB forms on the TTB website forms page at <https://www.ttb.gov/forms>. As such, the estimated total annual cost to the Federal Government for this information collection is **\$8,720.10**.

15. What is the reason for any program changes or adjustments reported?

There are no program changes associated with this information collection at this time, and TTB is submitting it for reapproval for extension purposes only. As for adjustments, due to changes in agency estimates for this information collection, TTB is decreasing its estimated number of annual respondents from 50 to 12, is decreasing its estimated number of annual responses, from 50 to 36, and is decreasing its estimated total annual burden, from 50 to 36 hours. However, also due to changes in agency estimates, TTB is increasing the estimated number of annual responses per respondent to this information collection, from 1 to 3 per respondent.

16. Outline plans for tabulation and publication for collections of information whose results will be published.

TTB will not publish the results of this information collection.

17. If seeking approval to not display the expiration date for OMB approval of this information collection, what are the reasons that the display would be inappropriate?

TTB will display the expiration date for OMB approval of this information collection on its associated form, TTB F 5110.38.

18. What are the exceptions to the certification statement?

- (c) See item 5 above.
- (f) This is not a recordkeeping requirement.
- (i) No statistics are involved.
- (j) See item 3 above.

B. Collections of Information Employing Statistical Methods.

This information collection does not employ statistical methods.